



To: Lisa Beutler
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January 18, 2004

From: Environmental Caucus

Subject: Chapter 1 Comments

On behalf of the Environmental Caucus, I want to once again express our grave concern about the tone and thrust of Chapter 1 and about the overall direction of the State Water Plan. After three years of working as Public Advisory Committee members to get what we believe is an acceptable balance of future actions for the State Water Plan, we are dismayed and disappointed at the changes that have occurred to Chapter 1 between the September Stakeholder Briefing Draft and the current draft version of Chapter 1.

For purposes of background, I have repeated parts of our comments to you from the October through December time frame. They are shown in italics immediately below. The last section of this memo contains our current key recommendations to you for Chapter 1.

Comments from Caucus October Memo:

The caucus is pleased to see the Draft "Investment Guide" as a part of Chapter 1. The orientation toward conservation savings and highlighting the potential savings of existing water supplies is a welcome change from the "gap analysis" orientation of past Bulletins. We would encourage you to include ranges for each of the potential benefits, to provide the sources for all ranges shown, and to specify whether the cost column is one time capital costs, life cycle costs, or whether it includes other costs. While the "Investment Guide" sets up some real challenges for California, experience with existing conservation programs has shown that they are usually more cost effective than other alternatives for meeting future needs. This last point probably needs to be discussed related to the "Investment Guide."

We feel that the document has a reasonable balance of viewpoints, even though we could make the case for increased water conservation and reclamation, especially from the major water users. The draft document is a welcome and necessary correction of the past tendency for B160 to use the concept of water

“demand” without reference to economics and to produce a “gap analysis” based on that “demand” which then points only to construction of surface storage as a solution. We feel that your emphasis on conservation as a large part of the solution for future water needs is an appropriate orientation for the state of California.

In summary, we feel that the draft B160-2003 is unique in the following major ways:

- The increased emphasis on conservation as a larger share of the solution to future state water needs.*
- The emphasis on economics and how that can play into the future demands for water.*
- The quantification of unmet environmental water needs, which must become a continuous part of the “needs” equation.*
- The visibility of public trust considerations in numerous and appropriate sections of the Bulletin.*

Comments from Caucus November Memo:

The Investment Guide. We feel that the guide is one of the truly unique features of Bulletin 160-03 and deserves the prominent place in the Bulletin that it has had in the draft review documents. While the numbers will always be debated, we feel that you have done a good job of referencing the sources for the data with the understanding that the numbers used in the guide are a continuing work in progress throughout the state. We know from past and current experience that all segments of California’s water users will respond to conservation measures when provided with the proper incentives and that these measures are the most cost effective in providing the equivalent of new water or of reducing demand.

In summary, we commend DWR for its balanced treatment and consideration of all views expressed by the Public Advisory Committee members during this almost three-year process. We feel that your approach has resulted in a more comprehensive analysis of water issues and that the Bulletin will be a useful document for both statewide and regional water planners.

Comments from Caucus December Memo:

We believe that the whole tone of Chapter 1 (and by implication, the upcoming Executive Summary) has been changed from the well-balanced and environmentally friendly approach in the September 30 version to a document that is no longer a well-balanced story. While we understand the pressure you have received from the Agricultural Caucus to modify Chapter 1, we feel that you have over-corrected and as a result have produced a draft document that is terribly out of balance. In our view, the rewrite of Chapter 1 has undermined three years of careful Advisory Committee work. There is no way that you can gain a semblance of consensus from the Public Advisory Committee with the

current tone of Chapter 1. At the same time, the changes we are recommending are straightforward, easy to make and will redress the balance that is needed for the Plan.

Our specific objections to Chapter 1 are:

- 1. The Investment Guide, which was at the heart of Chapter 1 and was one of the main messages of the whole Plan no longer has a prominent place in Chapter 1. According to the December 12 draft, the 19 pages of narrative mention the Guide but do not show it or illustrate its prominence. Although the Guide is shown on the web site following Chapter 1, it is not clear that it is a part of Chapter 1.*
- 2. The “Major Recommendations” shown on Page 6 are far less meaningful than the previous version since the Investment Guide, which is mentioned in the first recommendation, has not yet been shown. We concur that the Investment Guide should be the first and most important of the Major Recommendations, but the Investment Guide should precede the Recommendations in order to provide the proper context and tone of the Plan.*
- 3. The Investment Guide shown on the web is a multi-page, complex document that effectively hides the demand reduction or conservation potential numbers – the very numbers that should be the most prominent and obvious part of the Guide.*
- 4. The last paragraph on Page 2 has a discussion of future water demands to 2030 in the range of millions of acre-feet but without any accompanying information that shows the millions of acre-feet of potential demand reduction or conservation available during the same period. The previous version of Chapter 1 did show both sides of the equation so that readers could understand the potential savings available. Presenting only the “demand” side is terribly reminiscent of the “gap analysis” thinking of Bulletin 160-98 which received so much public criticism when published. We do not wish to go back to a Bulletin 160-98 “shortages only” mentality; it is a very misleading story about California’s potential future, especially when placed so prominently in Chapter 1 without balancing information.*
- 5. A table called the “Selected Water Portfolio...” has been substituted for the Investment Guide. This table, while valuable for some background information, is presented with no discussion and leads to no actions or recommendations. Since it merely describes current water distribution in the state, it belongs in the chapter that describes “California Water Today.”*

Comments from Caucus January Memo:

Since The Guide can be made into the key action item of the Chapter (and the Plan, for that matter), it needs to initially be presented in as reasonably concise a form as is possible and it needs to be closely linked to the Key Findings and Key

Recommendations of the report. “Reasonably concise” in this case would include only the three action-oriented column headings (Resource Management Strategy, Potential 2030 Supply Benefits, and Estimated Costs) and would list in the horizontal columns only the actions that are being quantified under Supply Benefits and Costs. All of the other Water Management Objectives which are now shown in a matrix format – while important to the overall plan – tend to obfuscate the action-oriented Supply Benefit items in the Guide. Additionally, all the 25 Water Management Strategies are exhaustively discussed in subsequent chapters of the Plan. By the same token, a more detailed and complete Implementation and Investment Guide, showing the additional Water Management Strategies matrix should be subsequently included in an appropriate later section of Chapter 1 or – more preferably – in Chapter 6.

In summary, our current recommendations to you are:

1. One of the Key Findings needs to be similar to the following: “Through a combination of water conservation, water recycling, water demand reduction actions and similar water efficiency measures, approximately X to Y million acre feet of effective water supply can be obtained between now and the 2030 time frame, as indicated in the Investment and Implementation Guide.”
2. One of the Key Recommendations needs to be similar to the following: “California needs to invest in a combination of strategies to provide X to Y million acre feet of water for increased population and for correcting groundwater overdraft. These investments are a combination of water conservation, recycling, demand reduction and Stage 1 CALFED actions and are shown in summary form in the following Investment and Implementation Guide.
3. A summarized Investment and Implementation Guide needs to be prominent in Chapter 1. The three column headings in the summary Investment Guide can be: Investment Actions, Potential Water Benefits by 2030, and Implementation Costs. The argument that has been made against a summarized Investment Guide for Chapter 1 and the Executive Summary – which is that readers will draw oversimplified conclusions – is to denigrate the experience level of decision makers who will use the State Water Plan as a reference. Chapter 1 and the Executive Summary is expressly for decision makers and must be clear and easy to understand with references to more complexity in subsequent chapters of the Bulletin. The expanded version of the Guide showing the Resource Management Strategies tends to obfuscate the importance of the numbers shown in the Potential Benefits column and downplays the role of water use efficiencies in the Plan – which we fear is one of the objectives of those who would call for the expanded version in Chapter 1. The expanded version of the Guide showing the Resource Management Strategies should be shown and explained in detail in Chapters 5 and 6.

4. While we have not complained about bias in the past, we now see a bias that is not appropriate in Key Recommendation #4. It appears that the only state constitutional responsibility specifically mentioned is to carry out feasibility studies for CALFED surface storage options. This is not appropriate. Either eliminate the phrasing related to the state's constitutional responsibility or list all the other important state constitutional responsibilities, such as the public trust, environmental justice, beneficial uses of water, avoidance of harmful and wasteful uses of water and similar constitutional responsibilities.

Our recommendations above are based on the assumption that the citizens of California recognize the need to be innovative and cost effective in our choices for handling future statewide water requirements. We believe that they understand and have experienced cases where water conservation, water recycling, and similar actions that reduce water demands need to play a prominent part in California's water future. To that end, the State Water Plan must reflect that orientation and recommend those kinds of actions as a high priority for the state and as a prominent thrust of the State Water Plan.

Since the significant changes that were made to Chapter 1 between September and December – and to which we object to so strongly – were made with little Public Advisory Committee input or discussion, we are not willing to wait until April to find out the final tone and thrust of Chapter 1, and we request that you take time on the January 30 meeting agenda discussion of Chapter 1 to respond to the above four recommendations contained in this memo.



For the Environmental Caucus